

STATE OF WISCONSIN
DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION OF MANAGEMENT SERVICES
BUREAU OF FISCAL SERVICES

ACCOUNTING PROCEDURE

TOPIC: Section 9-FMS Processing 9.1	EFFECTIVE DATE: 6/14/96
TITLE: Legal Services Object Codes	REVISION DATE:
AUTHORIZED BY: Cheryl Thompson, Deputy Director	PAGE 1 of 3

BACKGROUND

The State Controller's Office has established several new object codes for the payment of legal services. The new object codes have been established to allow the State to better track legal expenditures.

PROCEDURES

1. Organizations should discontinue the use of other object codes for legal services and should use the codes in item #3, effective immediately. All Legal service costs recorded in other object codes should be transferred, by journal voucher, to the new codes **no later than June 28, 1996**.
2. The object code for "professional services-general" does **not** include legal services, repair and maintenance services, medical services, or data processing services, or additions to capital assets, as defined below:

2740 Professional Services-General

Contractual agreements resulting in fees and incidental charges for persons who render professional or vocational services to the Department; this includes, but is not limited to, payments to accountants, graphic artists, chaplains, teachers, counselors, architects, engineers, actuarial services, inspection services, labor relations, lecture fees and honoraria.

Do not include charges for professional data processing services provided by State agencies or private vendor; use 2600 or 2650.

Do not include payments to plumbers, electricians, carpenters, vehicle or aircraft mechanics or other craftsmen whether operating as individuals or employed by contractors when the services obtained are more appropriately classified as routine maintenance or additions to capital assets.

Do not include payments for medical services; use 2720.

Do not include payments for legal services; use 2751-2757.

3. Current object codes for legal services include the following:

2751 Legal Services - Research

Services procured from a person, licensed to practice law, or a firm employing such persons for the purpose of performing legal research. Analysis or study of any area of federal, state, municipal or organizational law is covered by this definition.

2752 Legal Services - Opinion

Services procured for a person, licensed to practice law, or a firm employing such persons, for the purpose of writing an opinion on a particular legal issue or area of law. This category also covers legal advice given orally. This category would cover an instance in which, for example, an agency head needed legal advice about an abstruse area of the law and the DOJ and in-house counsel were not qualified to give advice. If the agency head retained an outside counsel competent in this area of practice, such services would be coded in this category.

2753 Legal Services - Litigation

Services procured from a person licensed to practice law, or a firm employing such persons, for the purpose of representing the agency in some form of litigation. This category includes all types of civil legal actions except collections matters.

2754 Legal Services - Collections

Services procured from a person, licensed to practice law, or a firm employing such persons, for the purpose of collecting debt owed to the State of Wisconsin. See also 2760 for collection charges for Wisconsin Department of Justice.

2755 Legal Services - Consulting

Services procured from a person, licensed to practice law, or a firm employing such persons, to perform consulting services. Consulting services include, but are not limited to, jury selection services, evidence or exhibit preparation, witness preparation, expert witness services, evidence evaluation, etc.

2756 Legal Services - Other

All other services procured from a person licensed to practice law, or a firm employing such person.

2757 Legal Services - Bond Counsel

For Capital Accounting use only.

2760 Legal Services - Department of Justice

Services provided for the collection of delinquent receivables by the Wisconsin Department of Justice. Do **not** include payments for private collection attorneys; use 2754.

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